TESTIMONY PRESENTED TO THE PLANNING AND DEVELOPMENT COMMITTEE March 2, 2011

Ron Angelo, Acting Commissioner
Department of Economic and Community Development

HB 6413 AN ACT CONCERNING THE STATE'S CONSOLIDATED PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT

The Department of Economic and Community Development (DECD) offers the following comments in <u>SUPPORT</u> of House Bill 6413 An Act Concerning the State's Consolidated Plan for Housing and Community Development.

DECD recognizes that housing is both an economic and a socio-economic driver, and the availability of quality affordable housing is critical to Connecticut's future economic growth. We also recognize the importance of strategic planning. However, preparing the long-range state housing plan is redundant and duplicative. During this time of unprecedented fiscal constraints it is imperative that we eliminate redundant and/or duplicative efforts.

Connecticut, through DECD, is required by the U.S. Department of Housing and Urban Development to prepare, every five years, a comprehensive strategic plan for housing and community development for the state. This plan is a required part of receiving annual funding under four federal programs - the Small Cities CDBG program, the HOME Investment Partnership program, the Emergency Shelter Grant program and the Housing Opportunities for Persons with AIDS program. This comprehensive plan includes a statewide housing needs assessment and market analysis as well as a strategic plan for housing and community development.

Additionally, an analysis of housing needs and the state's housing market as well as an analysis of housing's economic and socio-economic implications, challenges and opportunities are required elements of the state economic strategic plan (see Section 32-10 of the general statutes). Further, DECD is required, as part of its annual report, in accordance with Section 32-1m of the general statutes, to provide among other things, an assessment of the state's housing market; a comprehensive assessment of current and future needs for rental assistance under section 8-119kk for housing projects for the elderly and disabled; an analysis of the progress of the public and private sectors toward meeting housing needs in the state; using building permit data from the United States Census Bureau and demolition data from Connecticut municipalities, a list of

municipalities that meet the affordable housing criteria set forth in subsection (k) of section 8-30g (affordable housing appeals act); and an analysis of the state-funded housing development portfolio of the department.

By this legislation, DECD is proposing that the State Long Range Housing Plan be eliminated and the HUD required Consolidated Plan for Housing and Community Development serve as the official state housing plan. Additionally, DECD will continue to work with the Connecticut Housing Finance Authority and other partners when preparing this housing report.

As you can see, the state's housing situation is thoroughly analyzed and reported on annually and a comprehensive statewide housing plan is prepared every five years. As such the long-range state housing plan is redundant and duplicative. Time and money spent preparing this plan could be put to other uses, and repealing the long-range state housing plan will not have an effect on strategic planning.

Attached for the committee's convenience is a matrix that shows DECD's current reporting requirements. The column on the left shows the State Long Range Housing Plan, and as you scroll across from left to write, you will see the additional five reports DECD must prepare. Columns marked with "Yes" show where the duplication is occurring.

Thank you for your consideration of these comments and we would welcome the opportunity to assist the committee in any way possible with this bill.